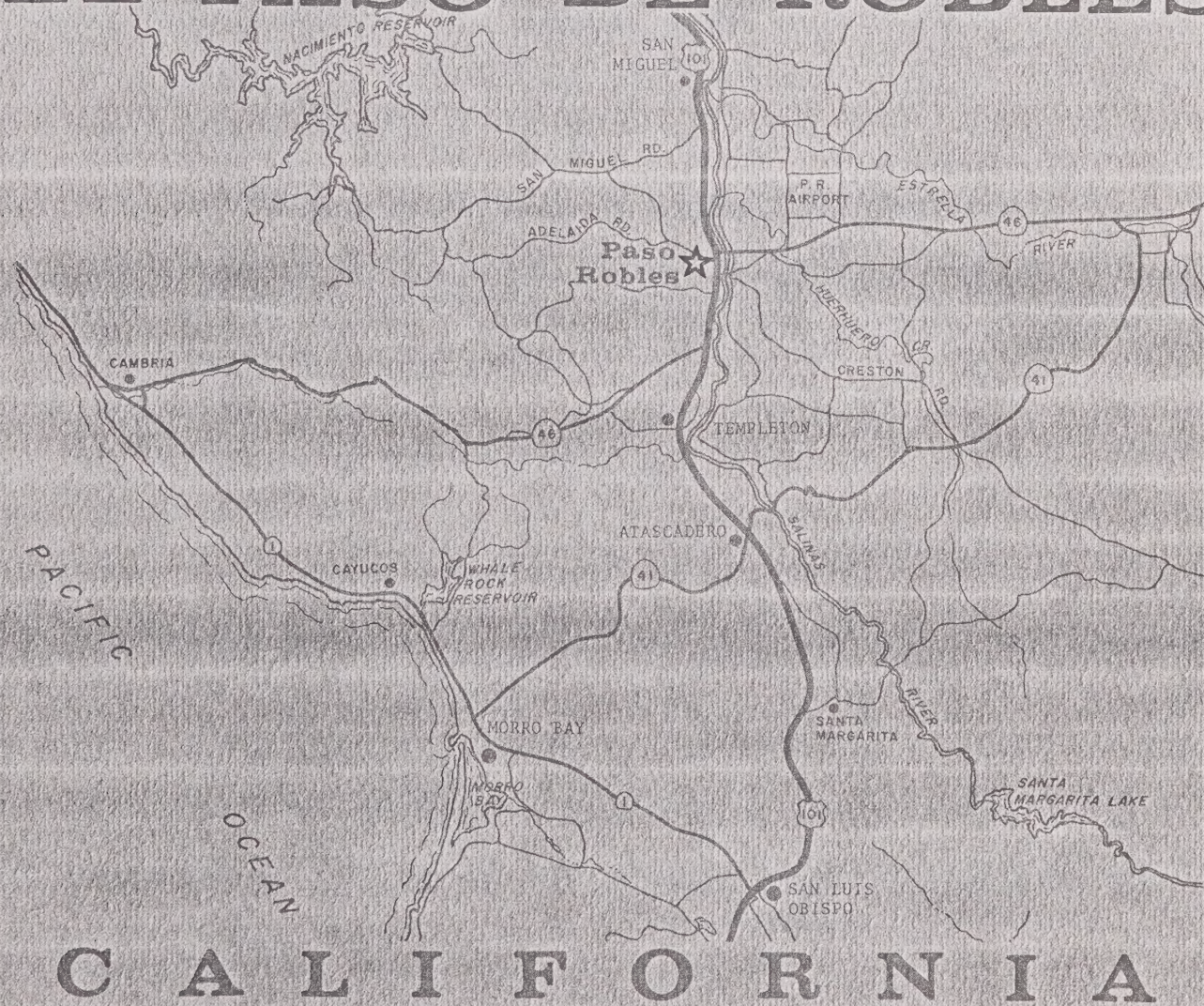


THE HOUSING ELEMENT of the GENERAL PLAN EL PASO DE ROBLES



HOUSING ELEMENT
OF THE
GENERAL PLAN

CITY OF EL PASO DE ROBLES, CALIFORNIA

Adopted
May 6, 1974

HAHN, WISE & ASSOCIATES, INC.
Planning Consultants

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GOALS AND OBJECTIVES

The following objectives are the City's basic policy statements regarding housing. These statements provide the framework upon which a plan for housing within the City of El Paso de Robles is built. As in all other Elements of the General Plan, the general goals and objectives should be reviewed periodically to insure their continued reflection of City policies.

The following are the goals and objectives:

1. The availability of adequate housing for all economic and social segments of the community. Adequate housing shall include a sound environment as well as a safe, well designed structure.
2. All housing within the City shall meet the minimum requirements for a standard dwelling unit, as set forth in this Housing Element and applicable provision of the City's codes regulating building and housing.
3. The residential environment should be improved through the provision of adequate public facilities and services. These include streets, parks and recreation, as well as, adequate water, sewer and drainage systems.
4. A variety of housing types and costs should be available in sufficient number to meet the desires of the residents.
5. The maintenance of the residential character of the City which has developed over the years, is of prime importance.
6. In the Housing Plan, Paso de Robles should continue to cooperate with other governmental agencies and continue to take an active interest in seeking solution to area-wide environmental problems which could affect the City's Housing Plan.



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PRINCIPLES STANDARDS AND OBJECTIVES

The principles, standards and objectives must be coordinated with the County and other agencies involved in housing. Objectives must be both immediate (for a four or five-year period) and long-range (ten to twenty-years).

1. Principles

a. Housing must be provided for all income, ethnic and racial groups. It is evident from an examination of prevailing rents and housing prices in the area that unless lower income families (32.3% under \$6000) own their own homes and have paid off their mortgage their housing costs represent a disproportionate amount of their income.

b. Adequate choice must exist in the type of dwelling unit, size, location and whether to be owned, leased or rented.

c. Vacant urban land in areas in need of redevelopment or renewal should be used for housing in preference to converting more expensive-to-use, raw land in the urban fringes.

d. New techniques to provide housing, including such factors as construction, design, flexibility, new materials and financing should be encouraged as part of the solution to existing and future housing problems.

e. Housing problems transcend municipal and county boundaries, making it necessary that all agencies and jurisdictions communicate and coordinate programs affecting housing.

f. Programs should be encouraged that make best use of existing housing stock through rehabilitation and modernization. Financial inducements and aid programs to benefit both owner and



consumer should be developed.

A program could be established to advise families with lower incomes of the availability of Federal or State assistance for purchase, rent or improvement of housing. The City could encourage the formation of non-profit corporations which would be eligible for Federal Loan and Grant assistance to construct housing for families of lower and moderate incomes, with particular emphasis on housing for the elderly. Most financing for such programs would have to come from sources other than local.

g. Housing plans must relate to other Elements of the General Plan, such as Land Use, Open Space, Circulation and Community Facilities.

2. Standards

a. The standard dwelling should provide adequate shelter for its residents. Structure should be constructed to offer quality, strength, fire resistance, durability and safety.

b. The General Plans of the City should include housing standards consistent with the housing needs of all segments of the community recognizing factors such as age, income, family size and mobility. The environmental standards should be consistent with residential densities and ability of both the community and the housing consumer to pay the bill. The surrounding environment plays a significant role in the quality of housing. Such public facilities as streets, parks and recreation, schools, water, sewage and drainage facilities all contribute to the adequacy of residential areas.

c. The relationship of employment, transportation and

housing must be recognized so that an inordinate amount of expenditure both by government and the public is not spent on either housing or transportation because of the distance between home and work. Communities must provide both employment and housing for their residents consistent with the free choice of opportunity in finding both.

3. Objectives (for a short-term period)

a. Achieve coordination of housing goals, plans and objectives of the City and the surrounding area making up the housing market.

b. Stimulate new housing, rehabilitation of existing housing stock and access to housing by the disadvantaged through whatever programs may become available.

During the normal growth and development of the City there may be times when existing homes will have to be acquired and removed for various reasons. A large Public Works project or a specific area of rejuvenation for, by example, a development which might necessitate the relocation of families from their existing residences.

Prior to the beginning of any program which would displace families from their homes, provisions should be made for their relocation to standard housing in a stable neighborhood environment.

c. Citizen participation, individually and in groups, should be encouraged in the development of the housing program, its plan adoption and its implementation. The only way the Plan can be successfully implemented is by reflection of the needs and desires of the people for which it has been developed.

d. Existing agencies and institutions that are capable of action or increased activity for provision of housing or aid in satisfying housing needs must be mobilized to maximum effectiveness.

e. Existing adopted General Plans of the City must be reviewed to include Housing Elements to insure achievements of housing goals for both the City and the Planning Area.

f. Housing Programs include public expenditures which must be related to all programs, particularly environmental programs and economic development, in order to achieve recognized public goals.

IDENTIFICATION OF HOUSING PROBLEMS, EL PASO DE ROBLES

The City is increasingly concerned about the amount, cost and arrangement of housing in both the City and the surrounding area. The following conditions are known to exist:

A. Both rental and sales of housing while not in short supply are limited for the moderate and low-income families living in the area. There are a total 2660 housing units in the City and 4355 houses in the Planning Area. 93.5% are occupied units. There is a vacancy factor in homes for sale and for rent of approximately 7%.

B. A greater proportion of new housing being constructed is for upper-middle income groups, restricting home buying from a substantial proportion of the population.

C. Older areas of the City contain a substantial proportion of the older, frequently deteriorating housing stock.

D. Population growth, both natural and migration, is a prime factor in considering housing, as is the case with most California cities because the increase in population in turn increases land costs because of demand.

With the recognition of the need for improving existing housing and providing sound housing for the community, for the common welfare of all of the citizens, whether in or out of the El Paso de Robles City Limits, it is the express concern of those in the City responsible for the condition of housing to be sure that all public programs and plans will be initiated, coordinated and carried out.

There is no easy solution to the problem of providing sufficient housing because it is complicated by the need for distribution of

units which are priced within the means of the various income groups living in the community. There seems to be sufficient housing available within the community for the moderate and higher income groups. The problem of housing for lower income families should be thoroughly studied and implemented possible through the use of self-help programs or subsidies rather than the reduction of building and housing standards. Subsidies take many forms such as low interest rate loans, housing developed by civic-minded groups with less than market rate loans and direct rent or purchase subsidies.

OBSTACLES TO SOLUTION OF PROBLEMS, SPECIFICALLY

A. El Paso de Robles is subject to the same economic forces that governs supply and costs of housing, cost of financing and materials. More local in nature are the rising costs of land, labor and services. The City of El Paso de Robles is mobilizing to plan for housing and collect the necessary data to program needs and formulate policies and devices to provide needed housing.

B. The primary concern in El Paso de Robles is the need for replacement of obsolete, substandard housing, and for the continued construction of new housing to accommodate the growing population, attention must be focused on any problem slowing such progress. Existing public policies and plans recognize residential land use needs and local economic needs. Residential densities presently vary with the age of structures in the development and their location. It is the intent of the General Plan of the City of El Paso de Robles to express and desire to allow for a full range of housing alternatives, with equal opportunity for occupancy in type of home, location,

whether it be rented or owned. Choices shall not be limited to single-family homes or conventional apartment developments. Full use of existing housing stock, combined with new construction and new concepts should be the pattern throughout the community.

Obviously, the solution to many of these problems are beyond the ability of the community alone to provide them. Some help must originate at the State and Federal level. Some of the problems are the inability of low and moderate income families to qualify for loans and the problem as stated above of rising construction costs, interest rates along with land costs which are placing today's housing beyond the financial ability of large numbers of residents.

SOLUTIONS OF PROBLEMS, EL PASO DE ROBLES

Actions Under-way To Improve Housing:

1. The City's effort is to assess housing needs, conditions, formulate programs - both public and private - and coordinate the efforts of the City in order to maximize the efforts toward this goal. This is, in substance, the Housing Element of the El Paso de Robles General Plan. The Housing Plan would initially include the following phases:

- a. Assist and encourage the Housing Authority to develop and administer the community's Housing Program.
- b. The development of a specific plan for housing the City's low income families.
- c. Encouragement of neighborhood planning and improvement programs and residential areas requiring remedial treatment.
- d. The establishment of a technical aid program for residents seeking advice on the Community's Housing Program.
- e. Continuation of the Code Enforcement Program for removal of dilapidated residential structures.
- f. The development of a program offering informational aid to relocated families and help in obtaining decent, stable housing in other areas of the community.

2. The City has not begun, nor has it maintained, housing or related programs through workable programs, urban renewal, neighborhood improvement programs. Although the City has done a significant amount of long-range planning.

In addition to the preparation of the Housing Element which will provide for a means of effective action programs that can be more readily developed and implemented, the City has recently approved a program to develop and update the Land Use, Circulation Plan Element of the General Plan and to develop Open Space, Conservation, Seismic Safety and Noise Elements of the General Plan. The City is currently updating its Subdivision and Zoning Ordinance, both of which make provisions for better control of development and encouragement of new concepts.

EXISTING ECONOMIC, SOCIAL, PHYSICAL CONDITIONS AND EXISTING HOUSING
AND ENVIRONMENTAL CONDITIONS

City Income Characteristics

Median family income in 1960 was approximately \$5560 as compared with the State-wide median of \$6726. In 1970, the median income has increased to \$8764 which is very close to California urban places of 2,500 to 10,000 population which had a median income of \$8922. The County median income in 1970 was \$8738. The main contributing factors to the labor force are professional workers, retail workers, semi-skilled crafts and service workers. El Paso de Robles' family income groupings compared to the County and State as set out in the U.S. Census of 1970 are indicated as follows:

<u>Income Group</u>	<u>El Paso de Robles</u>	<u>San Luis Obispo County</u>	<u>State of California</u>
\$ 0 to 4,000	19.3%	19.0%	17.6%
\$ 4,000 to 6,000	13.3%	13.5%	12.7%
\$ 6,000 to 8,000	12.4%	12.3%	13.4%
\$ 8,000 to 10,000	14.6%	13.0%	13.4%
\$10,000 and up	40.4%	42.2%	42.9%

As indicated in the above table there is a fairly substantial year-round employment. There is approximately 40% of the total of nearly 3600 employed residents who are employed as professional or semi-professional persons. Approximately 25% are in the semi-skilled and crafts occupations. Over 25% of the employed persons are working in the services of one kind or another and approximately 8% are employed in retail services. It should also be kept in mind that over 19% of the families residing in the area are at or below the poverty level.

Age Groups

The age groups in El Paso de Robles indicate that a substantial percentage of persons are below 20 years of age. There are presently some 37.8% in this age group which indicates a continuing strong demand in educational facilities in the area. Specific age breakdowns in 1970 are as follows:

<u>Ages</u>	<u>El Paso de Robles (City Only) Percent</u>	<u>School Age Percent</u>	<u>County Urban Percent</u>	<u>State Urban Percent</u>
Under 5	8.7%		6.5%	8.3%
5 - 9	9.4%	29.1% 28.1%	7.8%	9.6%
10 - 14	9.7%		8.5%	9.8%
15 - 19	10.0%		10.4%	9.1%
20 - 24	7.0%	College	12.0%	8.7%
25 - 34	10.4%		11.7%	13.5%
35 - 44	11.0%		9.9%	11.9%
45 - 64	20.9%		20.9%	20.1%
65 and Up	12.9%		12.3%	9.0%
<hr/>				
TOTAL	100.0%		100.0%	100.0%

Monthly Rental and Value of Owner-Occupied Housing

The main obstacle to solution of the housing problem for low income groups is the cost of construction of new housing for purchase and the rental range of standard housing large enough to adequately house these families. The overall rental and mortgage ranges for houses and apartments is not prohibitive for 70% of

the families living in the area and probably the rental and mortgage ranges for houses and apartments is not prohibitive for those units already constructed. The median rent for houses in El Paso de Robles is \$80 per month versus \$91 a month for median rent in the County of San Luis Obispo. The rental ranges for houses and apartments in El Paso de Robles are as follows:

Rents of Renter-Occupied Housing

	<u>County</u>		<u>El Paso de Robles</u>	
Median Rent	\$91		\$80	
	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>
Under \$59	1,572	12.3%	229	19.8%
\$60 to 79	3,008	23.6%	341	29.5%
\$80 to 99	2,542	19.9%	262	22.7%
\$100 to 149	3,553	27.8%	256	22.2%
\$150 or more	1,410	11.0%	39	3.4%
No cash rent	686	5.4%	28	2.4%

The value of owner-occupied housing is as follows:

<u>Value of Owner-Occupied housing</u>	<u>County of San Luis Obispo</u>		<u>El Paso de Robles</u>	
Units Surveyed	16,029		1,196	
Median Value	\$18,200		\$16,400	
Less than \$ 9,999	1,954	12.2%	156	13.0%
\$10,000 to 14,999	3,529	22.0%	328	27.4%
\$15,000 to 19,999	3,861	24.1%	336	28.1%
\$20,000 to 24,999	2,970	18.5%	162	13.6%
\$25,000 to 34,999	2,427	15.1%	151	12.6%
\$35,000 or more	1,288	8.1%	63	5.3%

It is interesting to note that the cost of housing is within the financial capability of approximately 55% of the residents of the community; however, there is a large percentage, 45%, which cannot afford new, sound housing. And it is toward this group that any program must be considered to develop housing.

Projection of Housing Needs

If El Paso de Robles continues to grow through the 80's and 90's as it has during the past decade, the population will nearly double by the year 2000 - from 7,168 persons in 1970 to 12,000 by the year 2000 within the present boundaries of the City. If the City expands into the Planning Area the population by the year 2000 is projected to possibly 16,000 persons. To sufficiently house the projected population approximately 4500 houses will be needed within the current City area and approximately 5900 within the Planning Area. The table below sets out population and dwelling unit projections for the City and the Planning Area.

POPULATION & DWELLING UNIT PROJECTIONS (4)

<u>CITY</u>	<u>Popu-</u>	<u>Popu.</u>	<u>Total (1)</u>	<u>Unit (2,</u>	<u>Additional (3)</u>	<u>Additional</u>
<u>Year</u>	<u>la-</u>	<u>per</u>	<u>Units</u>	<u>Avail-</u>	<u>Units Needed</u>	<u>Units Needed</u>
	<u>tion</u>	<u>D.U.</u>	<u>Needed</u>	<u>able</u>	<u>for Period</u>	<u>Accumulative</u>
1970	7168	2.80		2568		
1975	8000	2.80	2860		290	290
1980	8800	2.80	3140		280	570
1985	9600	2.70	3555		415	985
1990	10,400	2.70	3850		295	1280
1995	11,300	2.70	4185		335	1675
2000	12,000	2.70	4445		260	1875

PLANNING AREA

1970	12,194	2.80		4230		
1975	12,800	2.80	4570		340	340
1980	13,500	2.80	4820		250	590
1985	14,200	2.70	5260		440	1030
1990	14,800	2.70	5480		220	1250
1995	15,400	2.70	5700		220	1470
2000	16,000	2.70	5925		225	1695

- (1) No vacancy factor has been added which normally would be 7%.
- (2) Includes all units except substandards.
- (3) Substandard housing replacement in 1975 to 1980.
- (4) Based on median population projection

Identification of Housing Problems

The present supply of dwelling units is sufficient to house the population of the City; however, there are over 90 substandard units in the City and well over 100 substandard units in the Planning Area. There are also approximately 125 units where conservation is questionable and are presently deteriorating quite rapidly. In the 1970 Census it is indicated some 26 units of year-round housing lack plumbing facilities.

There is also substantially no standard housing available to the low and moderate income groups. This is particularly true in the income group of \$6000 income or less annually which is approximately 32% of the families living in the area. The decline in the rate of housing starts is a problem of some magnitude. The net increase in the number of sound housing units has barely kept pace with the population growth, and it did nothing toward replacement of substandard and deteriorating units. The current population per dwelling unit in the City is quite low compared to the State average. It is presently approximately 2.8; the normal is about 3.0. The vacancy rate is also quite favorable. Presently the rate is approximately 8% for rental housing and 6.5% owner-occupied housing. Replacement of the 92 substandard units and rehabilitation or replacement of the more than 125 deteriorating units will require substantial increase in housing starts to meet both the population increases and replacement of these substandard and deteriorating housing units.

There is a high percentage of families living in the City making less than \$4000 per year, they represent over 19% of the total number

of families in the City and there must be provisions made for these very low income families. The families in this income group are unable to purchase the average standard dwelling without some outside aid.

Cost of sound housing, and the price of land, has been increasing over the past few years. Inflation and the present high cost of borrowing money has drastically increased the purchase price of standard dwellings. The growth of housing costs has been similar throughout the State. The growth of income, at least for nearly 50% of the population, has not kept pace with the average California.

Groups of median income in El Paso de Robles is about the same as the average urbanizing area with populations between 2500 and 10,000 persons; however, it is somewhat lower than the median income of the State as a whole. Some solution must be found for those families in the low-income category. The combination of high financing costs and rapidly increasing purchase prices, affectively shuts out many families from the existing market for sound housing.

A similar situation exists in the rental sector of the housing market. Rents have been increasing at the rate of approximately 5% per year throughout the State. The reason - reduction in residential construction activity has resulted in demand which is substantially greater than the available supply of most single-family and multiple-family dwellings. This situation has caused rents to continue to increase at a substantial rate. The growth of family income has not kept pace with increasing rents and dwelling purchase prices particularly for those families in the low and moderate income groups

which in El Paso de Robles amounts to over 44% of the families residing in the area. (Less than \$8000 income annually.)

Environmental Factors

The environment, and availability, and adequacy of public facilities play very important roles in residential neighborhoods. A good environment is an intricate part of adequate housing. Public facilities of sufficient capacity and services which fulfill the needs of neighborhood residents are vital to a good environment. A well maintained, aesthetically pleasing neighborhood is a desirable asset to the entire community. Properly located parks improve older neighborhoods and stabilize new ones. The proper location of residential areas with respect to heavier land uses has a significant bearing on environment. There are some environmental problems in scattered neighborhoods throughout the City. Many of the persons residing in these areas should be encouraged to improve their environment. If more adequate public facilities were provided in their neighborhoods and if neighborhood organizations were formed to encourage improvement most environmental problems could be improved.

There are some areas with inadequate pavement widths which will have to be replaced or rebuilt when funds become available. In most cases, these funds would have to come out of the General Fund or Gas Tax or other available monies because the residents of these neighborhoods with inadequate public facilities would be unable to bear the costs of any improvements if special assessment proceedings were used.

Adequate sewage, water, storm collection systems are adequate in most residential sections of the City, there are a few trouble

spots in the developed portions of the City. There are also some flood prone areas particularly in the vicinity of Sixth, Thirteenth and Twenty-fourth which originate in the steep canyons westerly of the City causing sheet flow through developed areas in the City; however, most of these will be taken care of in the normal capital improvement projects planned by the City.

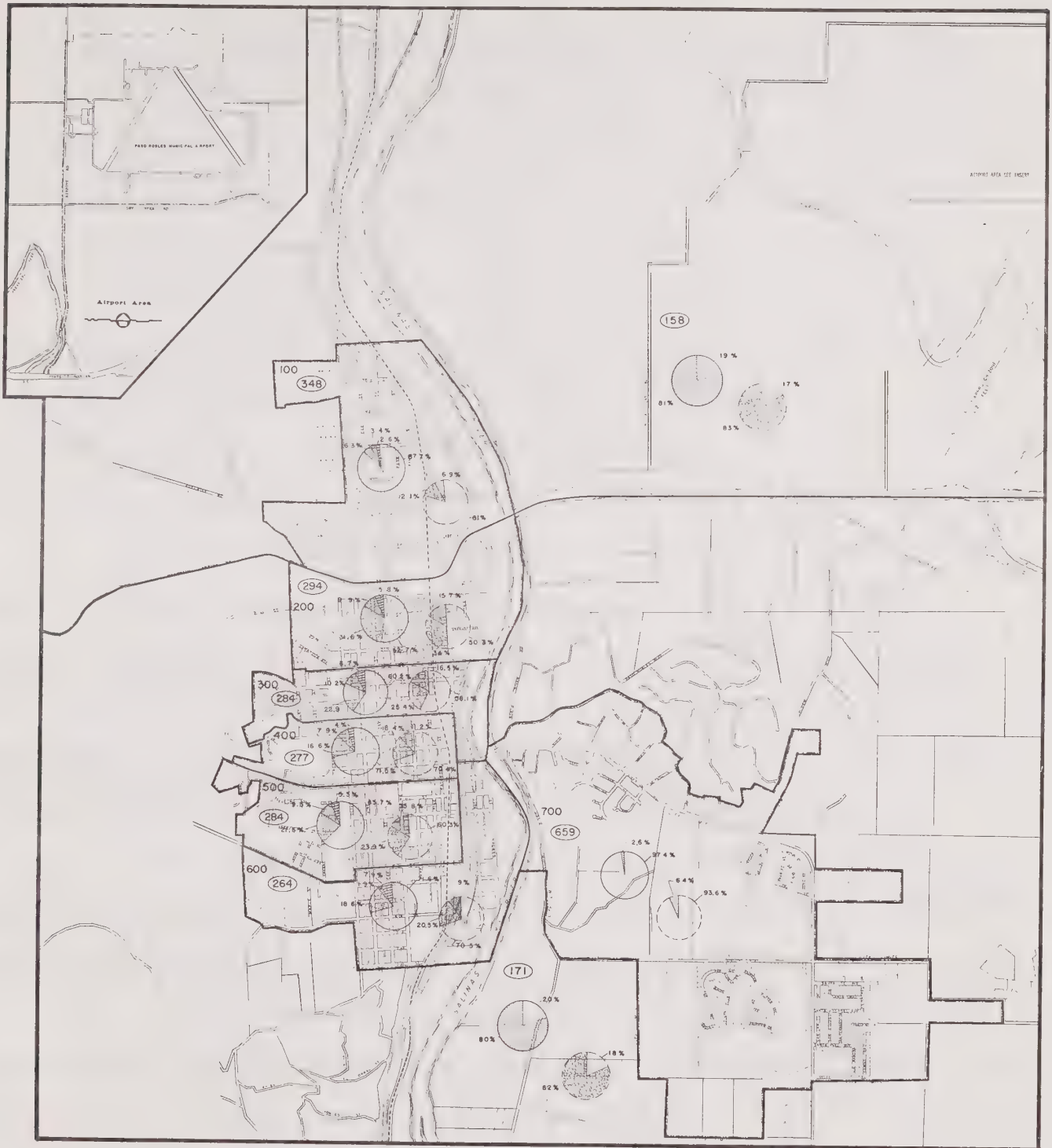
Average Age of Structures

	<u>City</u>	<u>County</u>
1965 - March 1970	5.9%	8.9%
1960 - 1964	7.6%	17.3%
1950 - 1959	14.9%	24.6%
1940 - 1949	32.0%	16.8%
1939 or earlier	39.6%	32.4%

Year Moved into Units

	<u>City</u>	<u>County</u>
1969 - March 1970	23.9%	16.1%
1968	6.8%	6.4%
1965 - 1967	33.0%	17.2%
1960 - 1964	13.6%	23.9%
1950 - 1959	22.7%	22.6%
1949 or earlier	----	13.8%

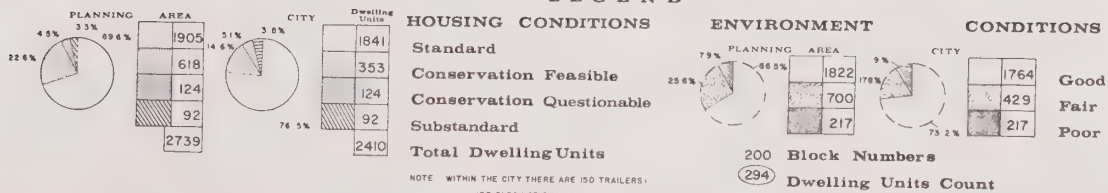
EXISTING HOUSING CONDITIONS



CITY OF EL PASO DE ROBLES

CITY COUNCIL CITY PLANNING COMMISSION
 SCALE 1" = 1000 FEET
 HARRIS & ASSOCIATES PLANNING CONSULTANTS
 OCTOBER 1973

LEGEND



Summary of Obstacles Preventing Solution of Housing Problems

1. Insufficient family income to finance improvement needed to bring deteriorating dwellings up to current standards. Most of the homes which could be classed as deteriorating are occupied by low or moderate income families and those with fixed incomes.
2. High cost of borrowing money for improvements. Today's high interest rates and availability of money discourages many home owners who, otherwise, would be improving their homes.
3. Current property tax laws penalize the home owner for making improvements. Assessments are lower in substandard structures.
4. Residents are usually unaware of the programs for use in upgrading their homes and neighborhoods.
5. There is a lack of coordinated effort, encouraging home and neighborhood improvement. The needed encouragement to rehabilitate deteriorating structures and environments must come from neighborhood improvement organizations encouraged by the City.
6. Latent neighborhood leadership has not been developed. Citizen participation and leadership is essential to the success of either rehabilitation or conservation.
7. Private investment and construction of new housing for low and moderate income is not very lucrative. Investment in other areas where higher incomes are found is more profitable.
8. Low rent housing and other Federally sponsored programs, in many instances pre-empt local control and are consequently unpopular. Federal funds are currently withheld from many projects.
9. The rising costs of land and building prevents construction of new units for families of low and moderate incomes.

10. Inflated, speculative land costs make up as much as one-third of total housing costs. Increasing land costs, without corresponding increases in assessments, encourage speculative holding of undeveloped parcels.

11. The cost of labor and materials has been increasing rapidly over the last few years. These added costs must be borne by the purchaser and the renter.

Prevailing Mortgage and Rental Rates

This study was conducted so that the cost of housing in El Paso de Robles might be compared with income of the City's residents in order to determine the ability of the citizens to purchase or rent existing houses. The income characteristics of the families in the City have been outlined above. The estimated monthly cost to purchase or rent a dwelling unit in the City is analyzed below.

In order to determine the ability of a purchaser to buy a home in El Paso de Robles, the total monthly costs must be computed. Many variables affect the monthly payment and, consequently, make accurate estimates very difficult to obtain; however, for the purpose of this study, it seems valid to compute the monthly payment of the "typical" existing and new house in the City. A hypothetical example will give an indication of the price range of housing at this time. The estimated monthly cost to purchase an existing standard single-family dwelling in the City priced at \$20,000 for a typical two or three bedroom two-bathroom house would require a minimum down payment of 10% after closing costs, the required loan would be slightly more than \$18,200. The total cost per month is estimated, then, to

be in the range of \$178-\$202 on a 25-year loan. This would also include property taxes, home owner's insurance and mortgage insurance. The higher rate would be the cost at an interest rate exceeding 8½%. Even an \$11,000 house, if such were available, would require, after down payment, monthly payments in the range of \$100-\$111 a month on a 25-year loan. This would include property taxes, home owner's insurance and mortgage insurance.

Standards for the portion of the family's income which should be spent on housing are recommended in the Housing & Urban Development Act of 1968. The law suggests that the monthly payment under the mortgage for principle, interest, taxes, insurance and mortgage insurance should not exceed 20% of the family's income. Referring to the example cited, an annual income in excess of \$12,000 would be required to purchase a \$20,000 home and an annual income over \$6,000 would be required to purchase an \$11,000 home. Even the lower cost housing, if available, would eliminate over 19% of the population; only 43% of the population of the community would be in a position to finance a home of \$20,000 or more. These standards might seem unusually restrictive, but they are geared to the lower income group which must meet many other expenses with their limited income.

Rentals in the City also vary considerably. The rent for older homes and apartments are relatively low. The median rent being \$80 per month. The newer homes and apartments would range in the area of from \$100 on up to \$160. The Housing & Urban Development Act of 1968 recommended that the monthly rent payment should not exceed 25%

of the renter's family income. Based on this standard the annual family income of from \$6000 \$8000 would be needed to afford sound rental housing of modest size in the City. This effectively eliminates over 35% of the population.

CURRENT PROGRAMS

Planning and actions leading to resolution of housing problems:

The City of El Paso de Robles is currently seeking solutions to the housing problems through the following existing programs and actions:

- a. Updating of the adopted General Plan for community development.
- b. The preparation and development of the Housing Element.
- c. The preparation and adoption of an Open Space, Conservation, Seismic, Noise and Public Safety Element.
- d. Developing a program for modernizing public services and facilities throughout the City.
- e. Updating the Zoning and Subdivision Ordinances.
- f. Encouragement of conservation of deteriorating homes by assisting neighborhoods and developing programs.
- g. Establishment of a continuing program for review and updating the General Plan and the Zoning and Subdivision Ordinances, and implementation of the General Plans as quickly as feasible.

LOW AND MODERATE INCOME HOUSING

Based on the current housing and land use survey done as a part of this study, there exists in the City of El Paso de Robles approximately 270 vacant residential lots. These lots, scattered throughout the City, could be used for the construction of homes for low and moderate income families. The basic public facilities, streets and utilities, are existing in these areas making them ready for development at any time. In addition to the scattered vacant lots there is over 980 acres of undeveloped land in residentially zoned areas primarily in the easterly portion of the City.

In addition to vacant lots, approximately 90 substandard dwelling units scattered throughout the City should be replaced by standard units for low and moderate income families. Locally sponsored and Federally subsidized programs should be used in the development of this housing. Cooperation with the Housing Authority and the Farmer's Home Loan Administration is recommended as a means for realization of the low and moderate income housing needs.

LEGEND

Areas For Scattered Low and Moderate Income Housing

The map shows the Salinas River flowing through the city. The city limits are indicated by a dashed line. Various residential areas are shown, including areas labeled 'SALINAS' and 'CITY LIMITS'. The areas designated for scattered low and moderate income housing are outlined in black, showing a concentration in the central and southern parts of the city, along the river and near the city limits.

CITY COUNCIL CITY PLANNING COMMISSION

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SCALE FEET

MAIN WISE & ASSOCIATES PLANNING CONSULTANTS

THE HOUSING PLAN

The Housing Plan consists of two parts: (1) The Housing Plan Map showing the type of treatment required in the various residential areas and, (2) Land Use Plan Residential Map depicting the density of residential development planned for each neighborhood. The type of treatment planned for the community's residential areas ranges from removal of the small percentage of dilapidated structures to construction of new housing in undeveloped areas.

a. Definition of Plan Terms following is the criteria used to determine the type of treatment planned in each area.

1. Existing Sound Housing

Those residential areas in which most of the housing is in good structural condition. The dwellings generally meet the building code requirements of the jurisdiction in which they are located. In addition to structural soundness, the surrounding environment is improved to contemporary standards. Both buildings and surroundings are well maintained. In order to qualify as an "existing sound housing" neighborhood, over 70% of the individual housing units should have been rated "standard" in the housing condition field survey.

2. Conservation

Areas designated for conservation treatment are those containing housing of varying conditions. A majority of the dwelling units have been rated "standard" or conservation feasible in the housing condition field survey. Some residences were found to be "deteriorating" and a few were designated "substandard". These

portions of below standard housing were defined as the limits for an area to be classified as a conservation neighborhood:

Standard and conservation feasible - 70% or more.
Conservation questionable and substandard - 30%
or less.
Substandard - not to exceed 5%.

Some environmental deficiencies exist in the neighborhood. However, these are not substantial. Normally, only one major environmental problem is present, such as a deteriorating street or poor surface drainage. In many cases, poorly maintained individual structures or yards are the source of the environmental deficiency.

The conservation concept is applied to neighborhoods which are beginning to show signs of deterioration. This type of treatment is designed to preserve and restore the structures and the environment in an area before more drastic measures are needed. The objective of this type of treatment is to obtain an improved, well maintained neighborhood which will remain stable over a long period of time.

Generally, the improvements should be made by the residents and owners, either on their own or with individual assistance from one of the housing programs available. The Homeowners Association is a good vehicle to get a clean-up or fix-up program started in the neighborhood.

3. Rehabilitation

Normally a substantial portion of these areas is deteriorated to such an extent that only drastic measures will reestablish it as a sound neighborhood, capable of remaining stable for a long period of time. Treatment of deteriorating areas may take several

forms; locally sponsored projects, lot-by-lot change in use or density (accomplished by individual property owners), and Federally assisted projects.

Locally sponsored projects may involve several kinds of remedial treatment. These could include clearance of individual structures, rehabilitation of structurally sound buildings, replacement of inadequate public facilities, and some replanning of the area. The degree of each type of treatment required is dependent upon the extent of the neighborhood's condition both as to housing and environment. Lot-by-lot changes in land use or residential density is the most common form of rehabilitation. Change occurs gradually, upon initiative of the private property owners. Zoning changes, consistent with realistic market demands and the Community's General Plan is usually sufficient to stimulate neighborhood rehabilitation.

Federally assisted projects, one form of rehabilitation are similar in scope to those which are locally sponsored but it is now difficult to obtain approval. Certain requirements are made concerning the planning and execution of the project. The extent and type of treatment used is dependent upon the degree of deterioration affecting the area.

Those areas designated for rehabilitation treatment are generally defined as containing the following percent of substandard housing units: Substandard - 5% or more.

Environmental conditions are generally poor throughout these areas and contribute significantly to the existing deteriorated state. Examples of these conditions are lack of park and

recreation facilities, inadequate sewerage, poorly designed streets, etc. Many of the residences have poorly maintained yards and structures. Often, the overall neighborhood design has contributed to the bad environmental conditions.

Redevelopment treatment is recommended for those areas which contain substantial numbers of housing units which have deteriorated to the point where they no longer provide safe and adequate shelter. In many cases these units are not economically repairable. Rehabilitation of the neighborhood would eliminate blighted conditions through the removal of unsafe structures, repair of economically repairable units, and provision of adequate public facilities. The neighborhood environment would be upgraded by the installation of needed utilities, redesigned circulation systems, etc. The goal to be attained by use of this treatment is the creation of a stable, sound neighborhood, capable of remaining an asset to the community for many years in the future.

4. New Housing

The development of non-urbanized lands in accordance with the General Plan will be one of the most productive methods of increasing the housing stock. Several areas are available for development with residential uses. The Housing Plan Map identifies those areas which seem to be the most logical for the needed future housing. Much of the future population growth will be housed in these presently vacant areas.

A well balanced community should contain a variety of residential densities and types; permitting a choice for the housing

consumer. Most important, sufficient housing should be available within financial capabilities of the various economic groups of the community.

Continued use of the single-family housing type would be appropriate in the low density neighborhoods of the community. Contemporary housing concepts such as cluster and townhouse projects should be encouraged for more efficient use of the diminishing land resources. Townhouses, garden apartments and condominiums should be used in the higher density areas along with duplexes and apartments.

The City should require development of sufficient housing for low and moderate income families in the newly developed areas. The availability of adequate housing with a decent environment is essential to the well being of these disadvantaged groups and the total community.

5. Existing Housing to be Converted to Non-Residential Uses

In certain areas, housing is located in the vicinity of incompatible land uses. For example, residences might be in or on the fringe of an expanding commercial district. In these cases, it is recommended that the housing be replaced with more compatible uses. The replacement could be accomplished privately, with local government encouragement, or with direct government action.

When units such as these are removed, they should be replaced with housing of a similar cost elsewhere in the community. The replacement housing should be available prior to removal of the existing units. Whenever relocation of individuals or families is

necessary, the agency responsible must make every effort to assist the displaced persons in finding another sound residence within their economic means.

6. Environment to be Rehabilitated

The environment within certain areas of residential neighborhoods is a major cause of deterioration. The environmental problem might be limited to one public facility or it could be a combination of several poorly designed or maintained improvements. The problems might, also, be concentrated on the privately owned residential parcels. The lack of certain improvements or poor maintenance could contribute to the deficient environment.

In those areas designated for environmental rehabilitation, particular needed improvements should be installed or constructed to help eliminate the blighting conditions. On the public side these might take the form of repaved streets, installation of curbs and gutters, construction of recreation facilities, improvement of drainage structures or general beautification. Privately, the property owner could improve maintenance practices and install or improve needed accessory facilities such as drives, appurtenant structures and land.

7. Non-Residential Uses

Since the Housing Plan is first concerned with residential land uses, all others are grouped under the "Non-Residential Uses" category. Manufacturing, commercial, agricultural, public and other land use classifications fall within this category.

8. Transition Housing

Certain residential areas within the City contain housing,

rated from standard to substandard in the housing survey, that are designated for conversion to higher density residential uses in the General Plan. These are termed areas of transition housing. The change in land use will normally occur on an individual property basis except where substantial areas are shown for rehabilitation. A certain degree of parcel consolidation will occur. However, the current lot and circulation pattern will probably not be altered significantly. The result will be neighborhood-wide change in population density.

Careful consideration should be paid to any increased capacity of streets, utilities, and parks which might be created because of the additional population. Any required improvements should be made concurrent with the gradual population increases.

Transition housing designation can appear in any of the treatment areas. For example, where transition housing is designated in a rehabilitation area, it means that the older deteriorating and substandard single-family dwellings should be removed and replaced with new, higher density housing. When transition housing is designated in a conservation area, the change from single-family to multiple will be more gradual and when designated in a standard housing area the change is less urgent and would probably not take place until the condition of the housing changed or the economic pressure forced the change to higher density.

b. Conservation Housing Proposed

This treatment is recommended for several areas within the City which are somewhat scattered.

The City should offer cooperation to organize and encourage neighborhood planning and improvement programs for these areas. The residents should be made aware, through a technical aid program, of the various assistance programs available to them.

Volunteer assistance should be sought by the City not only to help hold operating expenses but also to lend first hand experience to the programs and to increase their possibility of success by insuring that the treatment is tailored to the various specific problems in any given area.

The Homeowners or Renter Association is one possible vehicle for sparking the needed public interest for formulation and execution of any housing improvement plan.

c. Rehabilitation of Substandard Housing Proposed

Three areas with from 5% to 8% substandard housing are shown to be in need of rehabilitation treatment on the Plan. These areas should be treated individually with the assistance of the Housing Authority. The treatment could take the form of informational services or of actual sponsorship of individual rehabilitation projects. The City should step-up their code enforcement program in these areas.

The areas shown as transition housing on the Plan include some sound housing, but the remaining blocks are designated as conservation or rehabilitation housing. These areas should, through regular plan review, zoning administration and code enforcement be gradually converted to higher density housing, 10 to 20 units per acre depending on location. The opportunity exists here to encourage the private developer to utilize new concepts of residential development

such as clustering, townhouses, garden apartments, or other innovative forms.

d. New Housing Proposed

The projected year 2000 population of 12,000 for the City of El Paso de Robles will require about 1900 additional dwelling units. (1) The areas shown for new housing on the Plan will hold this number at the General Plan density of 6 dwelling units per net acre in most areas. Additional units will also become available within the City as the transition housing areas are changed from low to medium or medium-high density dwelling types.

As the City's General Plan is reviewed and updated in the future, consideration must be directed to increasing the holding capacity, if necessary, by means other than continued expansion of the single-family residential type. The value of the good agricultural land to the economics of the community must be recognized and alternate higher density housing types should be considered. When in fact this decision must be made, the typical dwelling type may be of higher density than the single-family detached housing.

The Housing Element, to be effective, must focus on the individual problems in existing residential neighborhoods in the City. Here these problems and their proposed solutions may be viewed in the proper prospective. The following specifically indentified areas are shown on the Housing Plan Map together with the general solutions to the present or anticipated problems.

Area 100

This area is generally bounded on the south by Twenty-fourth

(1) Based on median population projections.

Street and on the west, north and east by the existing City Limits. There are a total of nine (9) substandard homes in the area, twelve (12) homes where conservation is questionable and twenty-two (22) residential units where conservation is feasible.

This area should be considered for conservation of both the housing units and the environment. Approximately 12% of the housing units have fair environment and nearly 6% have poor environment.

Area 200

This is an area bounded on the north by Twenty-fourth Street, on the south by Nineteenth Street and on the east and west by the existing City Limits. There are a considerable number of substandard housing units in this area (17 and also a relatively large number of units where conservation is considered questionable (29). There are approximately 93 units where conservation is deemed feasible out of the total of 294 units in the area. This general area also has a high percentage of environmental problems. Over 15% of the units have poor environmental conditions and approximately 34% have only fair environmental conditions.

This area should be the subject of a rehabilitation program as quickly as possible in order to prevent further deterioration in the area. Some of the lands upon which substandard units are located are in areas where transition from low density to higher density development will probably take care of some of the substandard housing units in the area.

There should be a program of requiring a percentage of the substandard houses to be developed for low and moderate income families

at the time of replacement or rehabilitation.

Area 300

This area in the central portion of the City bounded on the north by Nineteenth Street and on the south by Fourteenth Street and on the east and west by the existing City Limits. Out of the 284 housing units in this area approximately 29 units are considered conservation questionable and 19 units are considered substandard. There are approximately 65 units where conservation is feasible. This area has the largest number of units that are either deteriorating or substandard and a rehabilitation program should be implemented in this area as rapidly as possible to reverse the present trend. As with the previous areas this district also has a high percentage of housing units with poor environment (16.5%) and it also has a high percentage of units with fair environment (25.4%). The most logical program for this area seems to be one of rehabilitation of both housing units and the environment.

Area 400

This area is bounded by Sixteenth Street on the north and Twelfth Street on the south and by the City Limits on the westerly boundaries and the Freeway on the easterly boundary. This area has 277 units of housing and approximately 11 units are considered substandard with 22 units where conservation is considered questionable. There are 46 units where conservation is feasible. Environmental conditions in this area are also in need of attention. Presently some 11% of the units have poor environmental conditions and over 18% have only fair environmental conditions. A program of conservation is needed in

this area although it is in somewhat better condition than the area previously discussed.

Area 500

This area is bounded by Twelfth Street on the north, Pacific Avenue and Seventh Street on the south and by the City Limits on the westerly side and the Freeway on the easterly side. There are approximately 284 units in this area and out of the 284 units 15 units are considered substandard and 27 units where conservation is considered questionable. There are 61 units where conservation is feasible. On the environmental side nearly 16% of the units have poor environmental conditions and nearly 24% have fair environmental conditions. This area should be considered for rehabilitation along with the other areas discussed previously.

Area 600

The area southerly of Pacific Avenue and Seventh with the river on the east, City Limits on the south and westerly sides. There are 264 units in this area; 21 units are considered substandard and 5 housing units conservation questionable. There are 49 units where conservation is considered feasible. Environmental conditions in this area are approximately 9% of the units have poor environmental conditions and over 20% have only fair environmental conditions. Numerically this area has the largest number of substandard units in the community. A program of rehabilitation of both housing units and environmental conditions should be undertaken as rapidly as possible to restore this area to one of sound housing and good environmental conditions.

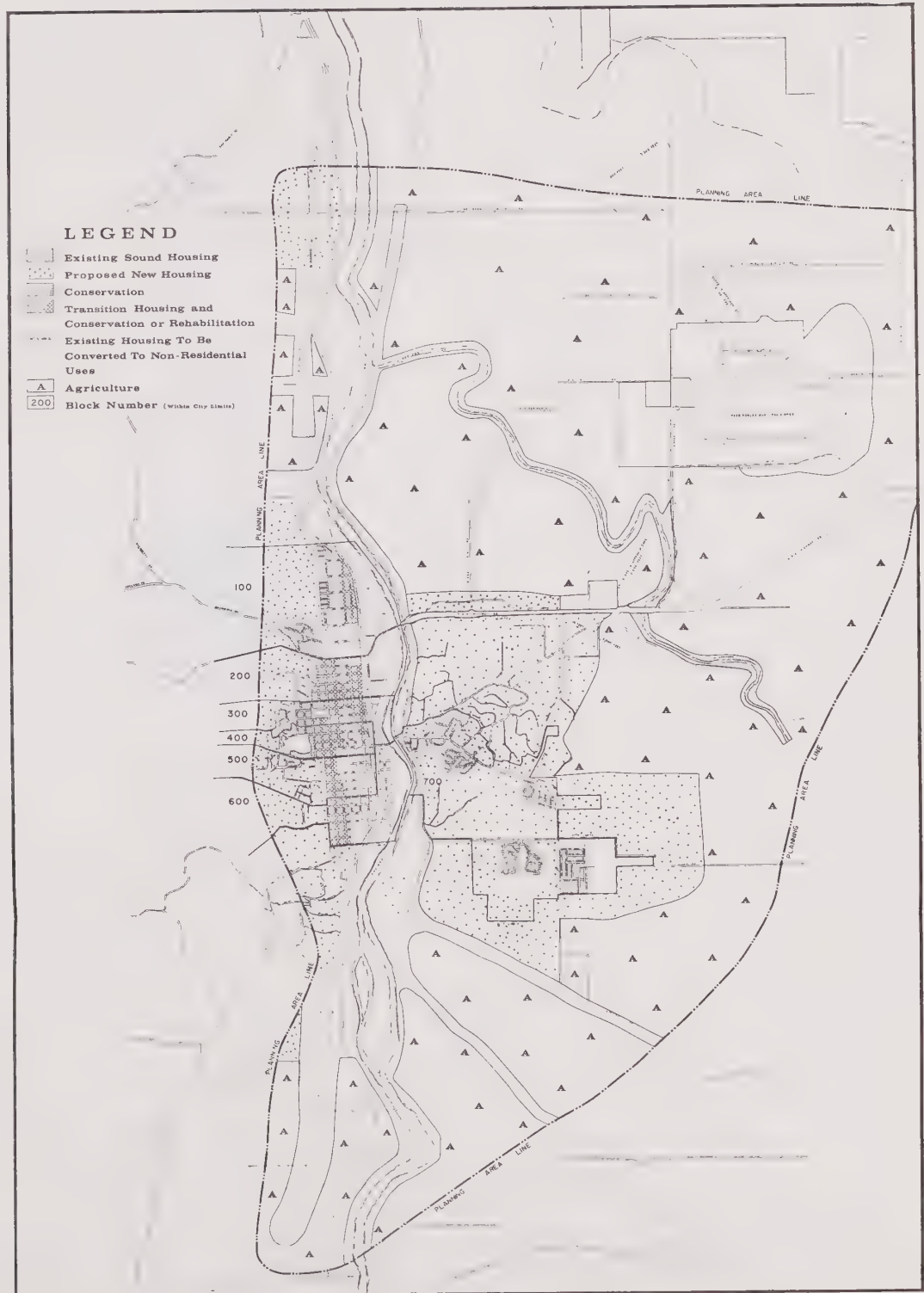
The easterly portion of this area will be one of transition from residential uses to commercial uses on both sides of Spring Street and the areas easterly of Olive Street, excluding the commercial areas, will have a gradual transition from single-family units to higher density areas. (Higher density development.)

Area 700

This includes all of the area easterly of the River which is presently within the City Limits. There are no substandard units or units which conservation is considered questionable. Out of the total of 659 units in this area, there are 17 units where conservation is necessary in order to prevent further deterioration. However, the district as a whole is in excellent condition and with some attention paid to a relatively small number of units in need of conservation this district should continue to be one of the better districts as far as housing development is concerned.

There is some problem concerning environmental conditions, approximately 42 units have fair environmental conditions. While this is not a high percentage of units, it is one that should be carefully watched to see that conditions do not deteriorate any further.

HOUSING PLAN



EL PASO DE ROBLES AND VICINITY

OUTLINE FOR IMPLEMENTING THE HOUSING ELEMENT

The major objective of the Housing Element is the provision of adequate housing, good living environment and adequate related services to all the economic, ethnic and racial segments of the population of the City. To achieve this the Housing Element must realize the following goals:

- a. Formulate more specific housing goals by areas.
- b. Inventory all possible programs and methods of solution for correction of housing problems.
- c. Programs and methods of solution for correction of housing problems must be implemented.
- d. Analyze precisely and comprehensively the nature and location of housing problems identified in general areas on the map indicating existing housing conditions and environment.
- e. Study in detail those areas with potential for concentration of problems related to housing, whether physical or social, in those areas in which housing problems and conditions are unique.
- f. Identify social and economic considerations, particularly those social groups with special housing problems and needs in addition to financial problems and giving attention to family size.
- g. Give priorities to problems; identifying the relationship to social, ethnic, economic and educational problems, and identify the responsibility for solution.
- h. Predict future housing needs, environmental needs, public

service and facility requirements for each of the areas where problems exist.

- i. Standardize in an acceptable manner terms such as "sub-standard", "deteriorating", "conservation", etc., for the purpose of maximizing coordination between the City and private developers, whether profit or non-profit organizations.
- j. Review all public codes, policies and ordinances and make recommendations to appropriate agencies those items which appear to present a problem.
- k. Encourage the public as individuals, and organizations to participate in the formation of project goals, program proposals and implementation of solutions.
- l. Propose feasible programs for correction and prevention of housing problems.
- m. Actively participate in the implementation of the programs.
- n. Propose a feasible program for updating and re-evaluation of the Housing Element, and for the detection and prevention of future problems relating to housing.

It is imperative that local entities be concerned enough with housing conditions to want to do something about the betterment of the area.

New areas recommended for development do not necessarily have to follow present zoning requirements. New zoning concepts and subdivision development encouraging cluster-type housing, townhouses and other concepts with reduction of lot size with compensating open space and variable setbacks, should be handled in a way that will best serve all groups.

APPENDIX A

Following is a summary of some of the Federal Programs that are currently being funded and could be applied to El Paso de Robles if funding is continued.

1. Mortgage Insurance for Home Purchase,
2. Mortgage Insurance for Housing for families of Low and Moderate Income,
3. Rent Supplement Program,
4. Home Ownership for Lower Income Families,
5. Rental Housing for Lower Income Families.

MORTGAGE INSURANCE FOR HOME PURCHASE

Administering Agency

Federal Housing Administration
Department of Housing and
Urban Development

Authorizing Legislation

National Housing Act
as amended
Section 203

PROGRAM

Residential property buyers may obtain mortgage insurance loans used to finance the purchase of single-family homes and homes in outlying areas. The applicant must have: (1) a good credit record, (2) the cash needed to initiate the transaction, and (3) enough regular income to make the monthly mortgage payment. Although the program is usually used by individual property buyers, they have been mobilized and coordinated for large scale rehabilitation efforts. FHA provides special technical advice and staff experts to aid cities in planning and managing such large scale efforts.

FINANCING

Currently the maximum mortgage amount which may be insured under this program is \$30,000 for a single-family home and \$13,500 for homes in outlying areas. The interest rate is 6-3/4% with an annual mortgage insurance premium of 1/2 of 1%. The maximum repayment period is generally 30 years. Three percent (3%) down payment is required on the first \$15,000 of appraised value, with increasing percentages above that amount.

MORTGAGE INSURANCE FOR HOUSING FOR
FAMILIES OF LOW AND MODERATE INCOME

Administering Agency

Federal Housing Administration
Department of Housing and
Urban Development

Authorizing Legislation

National Housing Act
as amended
Section 221 (d) (2)

PROGRAM

Individual families may obtain mortgage insurance for loans to be used for financing construction, purchase, or rehabilitation of single-family homes and one to four unit rental projects. Mortgage insurance is available for projects designed for lower income families and financed with mortgages bearing below market interest rates. Occupancy of below market interest rate multi-family rental housing is controlled by FHA prescribed family income limitations.

FINANCING

Mortgage financing is obtained by the individual family from a private lending institution. FHA mortgage insurance makes financing easier to obtain. The current maximum mortgage amount on an individually purchased home is generally limited to \$15,000, or \$17,500 in high cost areas. The mortgage amount may be increased by \$2,500 for larger families. Normal, maximum repayment period is 30 years. Families displaced by governmental action or natural disaster may pay as little as \$200 down payment on a single-family home. Normal down payment is three percent (3%).

RENT SUPPLEMENT PROGRAM

Administering Agency

Federal Housing Administration
Department of Housing and
Urban Development

Authorizing Legislation

Housing and Urban
Development Act of 1965

PROGRAM

Low-income individuals and families may be eligible for rent supplement payments to help them obtain decent, safe, and sanitary housing in privately owned units. In order to be eligible, the applicant must be: (1) elderly, (2) handicapped, (3) displaced by government action, (4) an occupant of substandard housing, or (5) an occupant of a dwelling damaged or destroyed by a natural disaster subsequent to April 1, 1965. The tenant must also have an income less than the maximum amount established in the area for occupancy in Federally aided low-rent public housing.

FINANCING

Housing owners who are eligible for contracts to receive rent supplements must be non-profit, cooperative, or limited dividend owners who provide housing financed with mortgages, at market rates, insured by FHA under Section 221 (d) (3). The mortgage must have been approved for insurance by the FHA after August 10, 1965. Under this program, monthly subsidies are paid to the owners of rental or cooperative housing to cover the difference between 25% of eligible tenants' annual incomes and the rentals required to support a Section 221 (d) (3) mortgage at an interest rate of 6%

plus the FHA mortgage insurance premium of 0.5%. As the tenant's income rises, the rent supplement will be reduced until, at a specified income level, he may continue to live in the same unit without a rent supplement payment.

Rent supplements are authorized, under the program, on a restricted and experimental basis for housing financed with low-interest rate mortgages insured by FHA under Section 221 (d) (3) and for housing for the elderly financed with a direct Federal loan (Section 202) or financed under the FHA rental housing program for the elderly (Section 231).

HOME OWNERSHIP FOR LOWER INCOME FAMILIES

Administering Agency

Federal Housing Administration
Department of Housing and
Urban Development

Authorizing Legislation

Housing and Urban
Development Act of 1968
Section 235

PROGRAM

Qualified low income families may obtain subsidies from HUD to help finance the construction, rehabilitation, or purchase of standard housing. The mortgage would be insured by FHA and obtained from an FHA approved private lending institution. The subsidy would be paid to the lender and would be in an amount necessary to make up the difference between 20% of the family's monthly income and the required monthly payment under the mortgage for principal, interest, taxes, insurance, and mortgage insurance premium. In no case, however, can the payment on a mortgage exceed the difference between the required payment under the mortgage for principal, interest, and mortgage insurance premiums and the payment that would be required for principal and interest if the mortgage bore an interest rate of 1%.

FINANCING

The prospective home purchaser may obtain an FHA insured loan from a private lending institution for construction, rehabilitation or purchase. HUD will pay the lender the subsidy as indicated above. The basic maximum mortgage permitted is \$15,000, however, this may be raised to \$17,500 for families with 5 or more persons.

These limits are established at 135% of the basic income limitations for admission to public housing in the area. A portion of the funds appropriated for this program may be used for families whose income is greater than the 135% limit but less than 90% of the income limits for occupancy in a Section 221 (d) (3) below-market interest rate housing project. A \$200 down payment is required of families whose income falls within the 135% formula, above. All others must make a down payment of 3% of acquisition cost.

RENTAL HOUSING FOR LOWER INCOME FAMILIES

Administering Agency

Federal Housing Administration
Department of Housing and
Urban Development

Authorizing Legislation

Housing and Urban
Development Act of 1968
Section 236

PROGRAM

Non-profit organizations, cooperatives, and limited dividend entities may obtain Federal assistance to finance the construction or rehabilitation of housing for lower income families. The assistance would be in the form of periodic payments to the lender, the purpose of which would be to reduce the mortgagor's interest cost on a market rate FHA insured project mortgage. These "interest-reduction" payments would help lower the total project cost and, consequently, the rental charged. Tenants receiving rent supplements are eligible to occupy units in these projects.

FINANCING

The project sponsor must obtain a market rate mortgage loan from an FHA approved lending institution. The mortgage is insured by FHA. HUD will make periodic "interest-reduction" payments to the lender which will reduce payments on the project mortgage from that required for principal, interest, and mortgage insurance premium on a market rate mortgage to that required for principal and interest on a mortgage bearing an interest rate of 1%

The "interest-reduction" payments will reduce rentals to a basic charge. The tenant will pay either the basic charge or 25% of his family income, whichever is greater. Maximum rent may not be in excess of the charges which would be necessary without any "interest-reduction" payments. Income limits are the same as those established under the Section 235 program.

Maximum mortgage amount is \$12.5 million, however, there are limitations based on the number of apartments and bedrooms in each unit. No down payment is required.

Administering Agency

Farmers Home Administration

Department of Agriculture

Programs

Farm Labor Housing

Rural Housing Self-Help
Programs

FARM LABOR HOUSING - Migrant Housing

This program provides insured loans and grants to finance construction of rental housing for domestic farm laborers. Loans may be made to farm owners, associations of farmers, State or political subdivisions, or non-profit organizations. Grants may be made to a State or political subdivision or a broadly-based non-profit organization that will provide labor housing as a community service. Occupants must be citizens of the United States who receive a substantial portion of their income as farm laborers.

Loan funds and grant funds may be used to construct, improve, or repair farm labor housing, including facilities for kitchens, dining halls, and appropriate health and recreational facilities. In addition, funds may be used to develop water, sewage disposal, heat, and light systems needed for the housing and other facilities. Funds may also be used to buy land on which labor housing projects will be located.

The interest rate on the loans is 5% per year on the unpaid principal. The maximum term is 33 years.

RENTAL AND COOPERATIVE HOUSING FOR RURAL PEOPLE

This program provides loans for rental and cooperative housing in rural areas for low and moderate income families and senior

citizens. Interest rates and repayment terms vary with the type of loan made.

Loans can be used to construct, purchase, improve, or repair rental or cooperative housing. Housing may consist of apartment buildings, duplex units, or individual detached houses. Funds may also be used to provide recreational and service facilities appropriate for the dwellings and to buy and improve the land on which the buildings are to be located.

Loans may not be made for nursing, special care, or institutional type homes.

RURAL HOUSING LOANS

This program provides loans to low-income farmers and residents in rural areas and communities with populations up to 10,000. There are special interest supplement payment provisions for low-income families that can bring interest rates down to as low as one percent (1%). Loans can be used:

- for constructing, improving or repairing rural homes, farm service buildings, and related facilities which may include water for farmstead and household use.
- to buy buildings and building sites.
- to finance self-help housing projects for low-income families.
- to repair homes damaged by natural disaster.
- to finance homes for senior citizens.

Maximum repayment term is 33 years. Interest rates vary.

Applicants must: (1) Be unable to finance improvements themselves and be unable to obtain reasonable credit terms elsewhere;

(2) be U. S. citizens of legal age and good reputation; and (3) lack decent, safe, and sanitary housing or essential farm service buildings.

RURAL SELF-HELP HOUSING LOANS

This program is designed to enable low-income rural families to build adequate housing even though their income is not sufficient to finance construction by customary methods. Families who will occupy the dwellings perform most of the construction work under the supervision of an expert. Each family in the group agrees to work an agreed number of hours to complete all the houses in the group. Materials may be purchased on a group basis for economy.

Loan funds are used to buy material and to pay for any contracted skilled labor which the participating families are unable to perform. Loans also may be used to purchase building sites.

The Farmers Home Administration will assist in providing plans for the homes, advise on assistance available from other public bodies, and conduct pre-construction meetings instructing in the self-help concept.

Small groups of from six to ten families may make application for self-help housing loans. An application from each participating family is accepted and processed on an individual basis. Each family must be able to repay the loan for the cash cost of the house. The family labor normally amounts to one-third or more of the total value of the finished home.

INCOME LIMITS FOR HOUSING ASSISTANCE

The U. S. Department of Housing and Urban Development has defined the points, below which, a family is considered to be within the lower income classification. These levels are used in determining eligibility for the home ownership and rental assistance programs established for lower income families by the Housing Act of 1968. In El Paso de Robles, families with incomes below that shown in the following table are considered to be in the lower income category:

<u>No. of Perons in Family</u>	<u>Income</u>	<u>No. of Persons in Family</u>	<u>Income</u>
1	\$5,065	6	\$8,440
2	5,740	7	9,115
3	6,415	8	9,790
4	7,090	9	9,790
5	7,765	10	9,790

The average family size in El Paso de Robles was 2.8 persons in 1968. A family of this size would be considered a lower income family if their annual income were about \$6,415 or less. It is estimated that about 32% of the families living in El Paso de Robles have incomes less than this figure.



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